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PUBLIC SERVICE  
COMMISSION

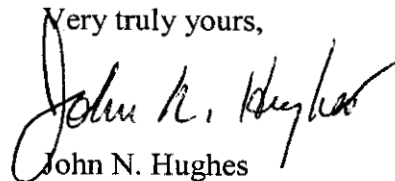
Mr. Thomas M. Dorman  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

Re: Case 2003-00224

Dear Mr. Dorman:

In response to questions from the Attorney General, the attached supplemental information to that filed on November 21, 2003 is submitted. A copy has been delivered to the Attorney General.

Very truly yours,



John N. Hughes  
Attorney for Northern Kentucky  
Water District

Attachments

Commonwealth of Kentucky  
Before the Public Service Commission

**RECEIVED**

**DEC 02 2003**

**PUBLIC SERVICE  
COMMISSION**

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY )  
WATER DISTRICT FOR (A) AN )  
ADJUSTMENT OF RATES; (B) A CERTIFICATE )  
OF PUBLIC CONVENIENCE AND NECESSITY )  
FOR IMPROVEMENTS TO WATER FACILITIES )  
IF NECESSARY AND (C) ISSUANCE OF BONDS )

Case No.  
2003-00224

SUPPLEMENTAL RESPONSES TO THE ATTORNEY GENERAL  
FROM NORTHERN KENTUCKY WATER DISTRICT

8. In the same format and detail as per the top part of page 30 of Exhibit C, provide the annual gallons sold, average rate per gallon sold and annual revenues associated with each of the Sales for Resale customers during the test year ended 5/31/03.

**A8. Witness: Howe**

	Unadjusted Volume	Reported Revenue
	ccf	\$
<b>Wholesale</b>		
Boone County	2,504,369	2,548,893
City of Florence	1,381,396	1,409,769
City of Bromley	10,326	12,378
Bullock Pen	110,460	125,805
City of Walton	227,072	228,822
Taylor Mill	548,486	565,237
Pendleton County	126,664	180,142
Total	4,908,773	5,070,957

11. As described on pages 15 and 16 of the PSC Order in Case No. 2002-00105, in its prior case NKWD removed the revenues associated with the water sales to Boone and Florence and, consistent with that adjustment, also removed the test year operating expenses associated with that sales. In this regard, please provide the following information:

- a) Provide the actual number of test year gallons associated with the Boone and Florence test year sales revenues of \$3,958,575 the District is proposing to remove from this case.

**A11a. Witness:Howe** Petitioner's response has been corrected as follows:

**Boone County TY Volume = 2,326,266 ccf or 1,740,167,632 gallons  
City of Florence TY Volume = 1,283,179 ccf or 959,884,655 gallons  
Combined TY Volume = 2,700,052,288 gallons**

28. Is the District contemplating refinancing any of the existing bond issues listed in Exhibit A? If so, quantify the resulting debt service savings as compared to the currently claimed debt service amount of \$10,569,411.

**A28. Witness:Ross. Please see letter and schedules attached.**

- 31.Please provide a complete copy of NKWD's existing tariff.

**A31. Witness:Barrow. The current tariffs are on file with the PSC and are available on its web page.**

38. Re: Exh. N, p. 7. The document states that certain types of revenue are "not subject to the rate increase." Concerning this statement:

a.Why is it assumed that forfeited discounts will not increase if there is a rate increase?

**A38a). Witness: Howe** Forfeited discounts are dependent upon the choice of the consumer and as rates increase, the portion of the customer's bill that is associated with the forfeited discount also increases. We have assumed that the number of customers who will opt out of the discount option will decrease as the magnitude of the typical bill increases.

- b) The description includes fees for "connections" and "turning meters on" but Schedule 5 shows a column only for "turn on fees." What is the distinction between a "connection" charge and a "meter turn on" charge (that is, when does a customer pay one fee as opposed to the other)?

**A38b). Witness: Howe** A connection fee is the charge incurred when a customer physically connects to the system. A turn-on fee is the charge incurred when a customer initiates service.

- c) Does the column for "turn on fees" in Schedule 5 include connection charges? If not, please explain why "connection" revenues are not included on this schedule.

**A38C. Witness: Howe** Connection fees are treated as capital contributions

- d) Please provide a workpaper showing the number of "meter turn on" charges collected during the test year and the charge per turn on.

**A38d). Wintess:Barrow.** There is no turn on fee, other than the two situations. If a customer is turned off for non-payment, the fee is \$25.00. If a customer requests to have water turned on after normal business hours (M-F, 8am to 5pm) there is an after hours charge of \$45.00 for the turn on.

- e) Please provide a workpaper showing the number of "connection" charges during the test year and the rate per connection (if different amounts are charged depending on the nature or location of the connection, please show each charge separately and explain the circumstances under which each such charge is levied).

**A38e. Witness:Barrow.** During the the test year there were 662 - 3/4" services, 34 - 1" services, 21 - 1 1/2" services, and 2 - 16" service connections. The district tap fee per tariff is \$750.00 per 3/4" service tap, \$850.00 per 1" tap, and cost plus 10% for all service sizes over 1". This is per District's tariffs.

- f) For the test year, please provide a workpaper that lists each surcharge levied by NKWD, the amount of the surcharge, the number of bills on which the surcharge is charged, and the total revenue from each such surcharge.

**A38f. Witness:Barrow.** See document attached.

- g) Why is NKWD not proposing to increase the rates for any of the surcharges?

**A38g. Witness:Barrow.** The surcharge is only to cover the debt service of the mainline extension that will service the new customer area. All of our surcharge agreements involve the use of Federal Grant money and the surcharge can only be used to cover the portion of the debt service that is the responsibility of the customer tapping the system. Any new customers that tap the line have to also pay the surcharge and the surcharge per customer is reduced by the amount paid by any

**additional connections. The Surcharge is not supporting our general rates. The purpose of the surcharges is addressed in Petitioner's Response to the PSC's Request of October 28, 2003, Question 4, Tab 4.**

- h) Are any or all of the surcharges designed to recover specific elements of the cost of service (for example, is there a surcharge that is supposed to recover a portion of the debt service on a particular bond, etc.)? If so, please describe and quantify the specific costs elements associated with each such surcharge.

**A38h. Witness:Barrow. Please see attached documents with 38f. The surcharge is only designed to help pay for the debt associated with the subdistrict cost. It is written off as an expense. In the cost of service study, the amount of the surcharge is deducted from the total revenue requirement before the rates are designed.**

- i) Please provide a breakdown of revenues from forfeited discounts, meter tests, returned check charges, turn-on fees, and surcharge revenues by customer class for the test year.

**A38i. Witness:Barrow. This information is not available because our billing system does not provide a break down by customer class on these particular charges.**

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40. Re: Exh. N, p. 9. The document states that the "cost of service to be allocated" is the total cost of service less "income received from charges not subject to the rate case increase and non-operating revenues." Does this mean that forfeited discounts have been removed from the determination of the cost of service to be allocated? If so, please explain why this was done. If it was an error to do so, please provide all corrections to the analysis that are required.

**A40. Witness:Howe. As indicated in Question 38, forfeited discounts are dependent upon the choice of the consumer and as rates increase, the portion of the customer's bill that is associated with the forfeited discount also increases. We have assumed that the number of customers who will opt out of the discount option will decrease as the magnitude of the typical bill increases. Therefore the revenues from forfeited discounts are reflected in the cost of service analysis as a credit against all revenues**

41. Re: Exh. N, p. 13. In the document, it states: "In accordance with the 2002 Order, water mains with a diameter less than 12 inches have been classified as 'distribution' ..." (emphasis added) In the Commission's order in Case 2002-00105 (page 26), it states: "The Commission finds that costs associated with mains smaller than 10 inches should not be allocated to the wholesale class." (emphasis added) Does the cost of service study in this case classify costs of 10-inch mains as being solely related to distribution? If so, please provide a revised version of Schedules 10 and 11 that includes the classification of mains that are 10 inches in diameter as transmission (that is, classified as serving all customers and not just retail customers).

**A41 Witness:Howe. Per the AG's request, Schedules 10 and 11 have been generated based on transmission mains defined as "10-inches and greater". The schedules reflecting this definition are attached. Please note the change in percentage distribution to the functional components is minimal and has no impact on the final rates. See attached tables 10 & 11.**

43. Re: Exh. N, p. 29, note b. The note states that the units of service analysis "includes 9 months of consumption associated with the City of Bromley." Concerning this:

d. How many meter charges for Bromley are included in the units of service analysis?

**A43d. Witness: Barrow. While a wholesale customer, Bromley was identified as one account in the customer information system. When it changed to a retail base, each connection was entered into the accounting system as a new retail account. The customer information system does not have a specific field associated with the community where the account is located. Geographic areas of the District are not segregated. It would be very difficult and time consuming to search the database and identify the accounts that previously received water via the Bromley wholesale connection. We can provide an estimate of the number of meters in Bromley. At the time of the changeover, we estimated approximately 350 meters associated with the Bromley wholesale customer.**

- 52.Re: Exh. N, Sch. 12.2:

b. Why are purchased water costs assigned solely to the base function? Is this consistent with the way in which purchased water is used by the system? Please provide documents that show when and how water is purchased by NKWD.

**A52b. Witness:Barrow. NKWD does not purchase water from any other system, since the purchase of the City of Newport water system in June of 2002. There are no agreements or other documents related to purchased water.**

## **SUPPLEMENTAL RESPONSE 28**



R I S A

November 20, 2003

**VIA US MAIL and EMAIL**

Jack Hughes, Esquire  
124 W. Todd Street  
Frankfort, KY 40601

**RE: Case # 2003-00404**

Dear Jack:

In connection with the Public Service Commission case number captioned above, we have successfully sold by competitive bid \$23,790,000 of the Northern Kentucky Water Service District Refunding Revenue Bonds, 2003 Series C. The Bonds are dated December 1, 2003 and will be delivered on December 18, 2003.

Note by the schedules I have included herewith, page one (1) shows our original projected refunding to be approximately \$24,025,000 with a gross savings of \$1,226,331 and a present value savings of \$907,101. The actual results were that we sold \$23,790,000 of Refunding Bonds with a gross savings of \$1,444,331 and a present value savings of \$1,052,486. This represents 4.94% of the prior par amount of Bonds that are being refinanced.

Page two (2) shows a year by year debt comparison of the three series of Bonds that are being refinanced and the 2003 Series C Refunding Bonds. Page three (3) shows deletion of all the debt service of the 1993A, 1995A and 1995B Bonds commencing February 1, 2004 and the substitution thereof for that debt service with the 2003 Series C Refunding Bonds.

It is absolutely essential that we receive an order from the Public Service Commission in advance of the delivery date of December 18, 2003. Should you have any questions of the schedules or need supporting information, please feel free to contact me or Brian Nurick. Thank you in advance for your assistance on this project.

Yours truly,

*Terrell Ross*

Terrell Ross

TR/klr  
Enclosure

cc: Ron Lovan  
Ron Barrow  
Tom Dorman  
Brian Nurick

ROSS, SINCLAIRE &amp; ASSOCIATES, INC.

**Northern Kentucky Water District  
Refunding Debt Capsule  
Series 1993A, 1995A, and 1995B**

	Series 1993A	Series 1995A	Series 1995B	Projected TOTAL	Actual Total
<u>Outstanding</u>					
Principal	\$1,550,000	\$5,875,000	\$13,865,000	\$21,290,000	
Interest	\$688,582	\$3,154,398	\$7,710,827	\$11,553,807	
Total	\$2,218,582	\$9,029,398	\$21,575,827	\$32,823,807	
<u>Projected</u>					
Principal	\$1,680,000	\$8,700,000	\$15,045,000	\$24,025,000	\$23,790,000
Interest	\$407,733	\$2,007,588	\$5,157,155	\$7,572,476	\$7,588,477
Total	\$2,087,733	\$8,707,588	\$20,802,155	\$31,597,476	\$31,379,477
Gross Savings	\$130,850	\$321,810	\$773,872	\$1,226,331	\$1,444,331
PV Savings	\$103,875	\$240,250	\$563,177	\$907,101	\$1,052,488
As % of Prior Par	6.69%	4.09%	4.06%	4.26%	4.94%

# NORTHERN KENTUCKY WATER DISTRICT - PROJECTED 2003C REFUNDING BOND DEBT COMPARISON

Date	Part	1993A Series			1993B Series			2003C Series		
		Principal	Interest	PY	Principal	Interest	PY	Principal	Interest	PY
01-Feb-04		75,000	41,845	150,829	1,000,573	1,207,879	1,430,000	89,521	1,430,000	1,430,000
01-Feb-05		80,000	38,886	157,873	1,000,530	1,207,879	1,430,000	379,772	1,430,000	1,430,000
01-Feb-06		85,000	37,300	150,805	1,000,530	1,207,879	1,430,000	369,172	1,430,000	1,430,000
01-Feb-07		90,000	35,818	150,805	1,000,530	1,207,879	1,430,000	358,572	1,430,000	1,430,000
01-Feb-08		95,000	34,379	150,805	1,000,530	1,207,879	1,430,000	347,972	1,430,000	1,430,000
01-Feb-09		100,000	32,938	150,805	1,000,530	1,207,879	1,430,000	337,372	1,430,000	1,430,000
01-Feb-10		105,000	31,497	150,805	1,000,530	1,207,879	1,430,000	326,772	1,430,000	1,430,000
01-Feb-11		110,000	30,056	150,805	1,000,530	1,207,879	1,430,000	316,172	1,430,000	1,430,000
01-Feb-12		115,000	28,615	150,805	1,000,530	1,207,879	1,430,000	305,572	1,430,000	1,430,000
01-Feb-13		120,000	27,174	150,805	1,000,530	1,207,879	1,430,000	294,972	1,430,000	1,430,000
01-Feb-14		125,000	25,733	150,805	1,000,530	1,207,879	1,430,000	284,372	1,430,000	1,430,000
01-Feb-15		130,000	24,292	150,805	1,000,530	1,207,879	1,430,000	273,772	1,430,000	1,430,000
01-Feb-16		135,000	22,851	150,805	1,000,530	1,207,879	1,430,000	263,172	1,430,000	1,430,000
01-Feb-17		140,000	21,410	150,805	1,000,530	1,207,879	1,430,000	252,572	1,430,000	1,430,000
01-Feb-18		145,000	20,000	150,805	1,000,530	1,207,879	1,430,000	241,972	1,430,000	1,430,000
01-Feb-19		150,000	18,590	150,805	1,000,530	1,207,879	1,430,000	231,372	1,430,000	1,430,000
01-Feb-20		155,000	17,180	150,805	1,000,530	1,207,879	1,430,000	220,772	1,430,000	1,430,000
01-Feb-21		160,000	15,769	150,805	1,000,530	1,207,879	1,430,000	210,172	1,430,000	1,430,000
01-Feb-22		165,000	14,359	150,805	1,000,530	1,207,879	1,430,000	199,572	1,430,000	1,430,000
01-Feb-23		170,000	12,948	150,805	1,000,530	1,207,879	1,430,000	188,972	1,430,000	1,430,000
01-Feb-24		175,000	11,538	150,805	1,000,530	1,207,879	1,430,000	178,372	1,430,000	1,430,000
01-Feb-25		180,000	10,127	150,805	1,000,530	1,207,879	1,430,000	167,772	1,430,000	1,430,000
01-Feb-26		185,000	8,717	150,805	1,000,530	1,207,879	1,430,000	157,172	1,430,000	1,430,000
01-Feb-27		190,000	7,306	150,805	1,000,530	1,207,879	1,430,000	146,572	1,430,000	1,430,000
01-Feb-28		195,000	5,896	150,805	1,000,530	1,207,879	1,430,000	135,972	1,430,000	1,430,000
01-Feb-29		200,000	4,485	150,805	1,000,530	1,207,879	1,430,000	125,372	1,430,000	1,430,000
01-Feb-30		205,000	3,075	150,805	1,000,530	1,207,879	1,430,000	114,772	1,430,000	1,430,000
01-Feb-31		210,000	1,664	150,805	1,000,530	1,207,879	1,430,000	104,172	1,430,000	1,430,000
01-Feb-32		215,000	26,000	150,805	1,000,530	1,207,879	1,430,000	93,572	1,430,000	1,430,000
01-Feb-33		220,000	24,559	150,805	1,000,530	1,207,879	1,430,000	82,972	1,430,000	1,430,000
01-Feb-34		225,000	23,118	150,805	1,000,530	1,207,879	1,430,000	72,372	1,430,000	1,430,000
01-Feb-35		230,000	21,677	150,805	1,000,530	1,207,879	1,430,000	61,772	1,430,000	1,430,000
01-Feb-36		235,000	20,236	150,805	1,000,530	1,207,879	1,430,000	51,172	1,430,000	1,430,000
01-Feb-37		240,000	18,795	150,805	1,000,530	1,207,879	1,430,000	40,572	1,430,000	1,430,000
01-Feb-38		245,000	17,354	150,805	1,000,530	1,207,879	1,430,000	29,972	1,430,000	1,430,000
01-Feb-39		250,000	15,913	150,805	1,000,530	1,207,879	1,430,000	19,372	1,430,000	1,430,000
01-Feb-40		255,000	14,472	150,805	1,000,530	1,207,879	1,430,000	8,772	1,430,000	1,430,000
01-Feb-41		260,000	13,031	150,805	1,000,530	1,207,879	1,430,000	81,172	1,430,000	1,430,000
01-Feb-42		265,000	11,590	150,805	1,000,530	1,207,879	1,430,000	70,572	1,430,000	1,430,000
01-Feb-43		270,000	10,149	150,805	1,000,530	1,207,879	1,430,000	59,972	1,430,000	1,430,000
01-Feb-44		275,000	8,708	150,805	1,000,530	1,207,879	1,430,000	49,372	1,430,000	1,430,000
01-Feb-45		280,000	7,267	150,805	1,000,530	1,207,879	1,430,000	38,772	1,430,000	1,430,000
01-Feb-46		285,000	5,826	150,805	1,000,530	1,207,879	1,430,000	28,172	1,430,000	1,430,000
01-Feb-47		290,000	4,385	150,805	1,000,530	1,207,879	1,430,000	17,572	1,430,000	1,430,000
01-Feb-48		295,000	2,944	150,805	1,000,530	1,207,879	1,430,000	6,972	1,430,000	1,430,000
01-Feb-49		300,000	1,503	150,805	1,000,530	1,207,879	1,430,000	63,172	1,430,000	1,430,000
01-Feb-50		305,000	0,062	150,805	1,000,530	1,207,879	1,430,000	52,572	1,430,000	1,430,000
01-Feb-51		310,000	1,381	150,805	1,000,530	1,207,879	1,430,000	41,972	1,430,000	1,430,000
01-Feb-52		315,000	2,822	150,805	1,000,530	1,207,879	1,430,000	31,372	1,430,000	1,430,000
01-Feb-53		320,000	4,263	150,805	1,000,530	1,207,879	1,430,000	20,772	1,430,000	1,430,000
01-Feb-54		325,000	5,704	150,805	1,000,530	1,207,879	1,430,000	10,172	1,430,000	1,430,000
01-Feb-55		330,000	7,145	150,805	1,000,530	1,207,879	1,430,000	0,572	1,430,000	1,430,000
01-Feb-56		335,000	8,586	150,805	1,000,530	1,207,879	1,430,000	90,972	1,430,000	1,430,000
01-Feb-57		340,000	10,027	150,805	1,000,530	1,207,879	1,430,000	80,372	1,430,000	1,430,000
01-Feb-58		345,000	11,468	150,805	1,000,530	1,207,879	1,430,000	69,772	1,430,000	1,430,000
01-Feb-59		350,000	12,909	150,805	1,000,530	1,207,879	1,430,000	59,172	1,430,000	1,430,000
01-Feb-60		355,000	14,350	150,805	1,000,530	1,207,879	1,430,000	48,572	1,430,000	1,430,000
01-Feb-61		360,000	15,791	150,805	1,000,530	1,207,879	1,430,000	37,972	1,430,000	1,430,000
01-Feb-62		365,000	17,232	150,805	1,000,530	1,207,879	1,430,000	27,372	1,430,000	1,430,000
01-Feb-63		370,000	18,673	150,805	1,000,530	1,207,879	1,430,000	16,772	1,430,000	1,430,000
01-Feb-64		375,000	20,114	150,805	1,000,530	1,207,879	1,430,000	6,172	1,430,000	1,430,000
01-Feb-65		380,000	21,555	150,805	1,000,530	1,207,879	1,430,000	95,572	1,430,000	1,430,000
01-Feb-66		385,000	23,000	150,805	1,000,530	1,207,879	1,430,000	84,972	1,430,000	1,430,000
01-Feb-67		390,000	24,441	150,805	1,000,530	1,207,879	1,430,000	74,372	1,430,000	1,430,000
01-Feb-68		395,000	25,882	150,805	1,000,530	1,207,879	1,430,000	63,772	1,430,000	1,430,000
01-Feb-69		400,000	27,323	150,805	1,000,530	1,207,879	1,430,000	53,172	1,430,000	1,430,000
01-Feb-70		405,000	28,764	150,805	1,000,530	1,207,879	1,430,000	42,572	1,430,000	1,430,000
01-Feb-71		410,000	30,205	150,805	1,000,530	1,207,879	1,430,000	31,972	1,430,000	1,430,000
01-Feb-72		415,000	31,646	150,805	1,000,530	1,207,879	1,430,000	21,372	1,430,000	1,430,000
01-Feb-73		420,000	33,087	150,805	1,000,530	1,207,879	1,430,000	10,772	1,430,000	1,430,000
01-Feb-74		425,000	34,528	150,805	1,000,530	1,207,879	1,430,000	0,172	1,430,000	1,430,000
01-Feb-75		430,000	35,969	150,805	1,000,530	1,207,879	1,430,000	89,572	1,430,000	1,430,000
01-Feb-76		435,000	37,410	150,805	1,000,530	1,207,879	1,430,000	78,972	1,430,000	1,430,000
01-Feb-77		440,000	38,851	150,805	1,000,530	1,207,879	1,430,000	68,372	1,430,000	1,430,000
01-Feb-78		445,000	40,292	150,805	1,000,530	1,207,879	1,430,000	57,772	1,430,000	1,430,000
01-Feb-79		450,000	41,733	150,805	1,000,530	1,207,879	1,430,000	47,172	1,430,000	1,430,000
01-Feb-80		455,000	43,174	150,805	1,000,530	1,207,879	1,430,000	36,572	1,430,000	1,430,000
01-Feb-81		460,000	44,615	150,805	1,000,530	1,207,879	1,430,000	25,972	1,430,000	1,430,000
01-Feb-82		465,000	46,056	150,805	1,000,530	1,207,879	1,430,000	15,372	1,430,000	1,430,000
01-Feb-83		470,000	47,497	150,805	1,000,530	1,207,879	1,430,000	4,772	1,430,000	1,430,000
01-Feb-84		475,000	48,938	150,805	1,000,530	1,207,879	1,430,000	94,172	1,430,000	1,430,000
01-Feb-85		480,000	50,379	150,805	1,000,530	1,207,879	1,430,000	83,572	1,430,000	1,430,000
01-Feb-86		485,000	51,820	150,805	1,000,530	1,207,879	1,430,000	72,972	1,430,000	1,430,000
01-Feb-87		490,000	53,261	150,805	1,000,530	1,207,879	1,430,000	62,372	1,430,000	1,430,000
01-Feb-88		495,000	54,702	150,805	1,000,530	1,207,879	1,430,000	51,772	1,430,000	1,430,000
01-Feb-89		500,000	56,143	150,805	1,000,530	1,207,879	1,430,000	41,172	1,430,000	1,430,000
01-Feb-90		505,000	57,584	150,805	1,000,530	1,207,879	1,430,000	30,572	1,430,000	1,430,000
01-Feb-91		510,000	59,025	150,805	1,000,530	1,207,879	1,430,000	19,972	1,430,000	1,430,000

# Northern Kentucky Water Service District - Total Debt Service following issuance of 2003C Bonds

Series	1993 A	1995 A	1996 B	1996 Extra	1997	1998	2000 USDA	2001A	2002A	2002B	2003A	2003B	2003C	CY
Par	\$2,180,000	\$7,315,000	\$16,883,000	\$1,521,000	\$11,235,000	\$11,352,000	\$3,257,000	\$16,328,000	\$45,485,000	\$10,575,000	\$1,815,000	\$39,270,000	\$23,799,000	TOTAL
1992														\$955,288
1993	\$37,220													\$8,824,848
1994	\$182,488													\$5,911,600
1995	\$158,173	\$176,125												\$4,000,274
1996	\$158,948	\$263,898	\$1,135,384	\$82,221										\$5,888,391
1997	\$188,405	\$265,019	\$1,270,639	\$88,155										\$5,838,684
1998	\$180,733	\$265,898	\$1,271,039	\$101,798	\$890,807									\$8,544,754
1999	\$167,943	\$268,298	\$1,270,319	\$102,055	\$1,088,400	\$809,803								\$7,547,241
2000	\$180,035	\$265,948	\$1,368,479	\$102,258	\$1,088,435	\$732,135	\$27,217							\$7,898,437
2001	\$167,014	\$265,119	\$1,270,279	\$102,405	\$1,088,080	\$722,635	\$114,390							\$7,779,443
2002	\$168,875	\$263,718	\$1,270,879	\$101,535	\$1,088,275	\$722,889	\$134,825	\$818,450	\$1,107,938					\$8,875,148
2003	\$160,498	\$251,748	\$1,268,879	\$80,543	\$1,086,080	\$722,885	\$134,789	\$884,528	\$2,568,048	\$808,979	\$25,200			\$8,371,128
2004					\$1,087,258	\$721,889	\$135,800	\$881,325	\$2,587,403	\$825,881	\$100,539	\$2,058,200	\$1,889,282	\$10,547,588
2005					\$1,086,860	\$720,838	\$134,400	\$883,100	\$2,536,548	\$845,705	\$100,076	\$1,894,150	\$1,887,544	\$10,180,744
2006					\$1,088,800	\$724,980	\$135,159	\$884,313	\$2,538,115	\$871,405	\$1,882,100	\$1,884,544	\$1,884,544	\$10,177,089
2007					\$1,088,850	\$721,730	\$134,425	\$817,875	\$2,523,240	\$808,305	\$884,840	\$1,884,700	\$1,914,075	\$10,188,241
2008					\$1,088,758	\$723,785	\$134,450	\$880,400	\$2,585,485	\$882,219	\$884,008	\$1,881,850	\$1,904,889	\$10,175,875
2009					\$1,088,513	\$710,485	\$135,000	\$858,745	\$2,473,028	\$1,023,244	\$181,945	\$1,882,708	\$1,887,089	\$10,178,735
2010					\$1,088,288	\$711,830	\$134,475	\$773,878	\$2,454,283	\$1,028,875	\$100,895	\$1,884,488	\$1,885,031	\$10,178,083
2011					\$1,088,768	\$712,481	\$134,875	\$775,545	\$2,552,878	\$1,025,044	\$88,915	\$1,882,058	\$1,884,518	\$10,178,083
2012					\$88,080	\$712,380	\$134,200	\$772,105	\$3,552,840	\$1,022,244	\$87,885	\$1,882,005	\$1,887,189	\$10,178,088
2013					\$85,180	\$711,501	\$134,450	\$1,408,883	\$2,915,840	\$1,022,144	\$101,288	\$1,885,425	\$1,907,488	\$10,184,830
2014					\$87,181	\$714,511	\$134,500	\$1,411,840	\$2,913,180	\$1,017,744	\$88,504	\$1,882,789	\$1,912,081	\$10,183,520
2015					\$88,975	\$711,741	\$134,580	\$1,418,878	\$2,911,851	\$1,011,144	\$87,704	\$1,883,413	\$1,910,881	\$10,175,833
2016					\$85,850	\$712,572	\$134,600	\$1,414,438	\$2,908,883	\$1,007,541	\$100,735	\$1,885,705	\$1,908,881	\$10,185,355
2017					\$87,208	\$713,228	\$134,450	\$1,418,288	\$3,388,844	\$545,388	\$88,855	\$1,882,384	\$1,905,881	\$10,184,114
2018					\$88,525	\$712,509	\$134,280	\$1,418,083	\$4,180,800		\$101,355	\$1,884,384	\$1,744,851	\$10,275,427
2019					\$84,725	\$710,816	\$134,825	\$1,420,700	\$4,182,880		\$88,688	\$1,884,384	\$1,744,841	\$10,275,427
2020					\$85,888	\$713,025	\$134,325	\$1,422,983	\$4,481,280		\$101,283	\$1,881,885	\$1,184,889	\$10,014,877
2021					\$86,550	\$714,018	\$134,700	\$1,421,500	\$4,483,250		\$88,583	\$1,880,775		\$9,858,483
2022					\$87,228	\$713,788	\$133,858	\$1,421,135	\$4,482,125		\$100,780	\$1,882,513		\$9,851,536
2023						\$712,341	\$134,075	\$1,418,000	\$4,482,800		\$87,838	\$1,881,375		\$9,738,728
2024						\$714,593	\$134,880	\$1,421,875	\$4,483,875		\$88,788	\$1,883,759		\$9,737,880
2025						\$710,425	\$133,875	\$1,422,500	\$4,485,750		\$101,488	\$1,882,883		\$9,738,881
2026						\$714,834	\$133,580	\$1,424,780	\$4,482,750		\$88,088	\$1,884,181		\$9,738,122
2027						\$712,559	\$134,000				\$88,538	\$1,882,815		\$7,513,227
2028						\$445,808	\$133,875				\$100,785	\$1,883,053		\$2,562,785
2029							\$133,925				\$88,845			\$230,370
2030							\$133,475				\$87,820			\$221,285
2031							\$133,225				\$88,885			\$231,780
2032							\$133,750				\$80,880			\$184,440
2033							\$133,080							\$133,080
2034							\$134,100							\$134,100
2035							\$138,875							\$138,875
2036							\$133,400							\$133,400
2037							\$133,850							\$133,850
2038							\$133,600							\$133,600
2039							\$133,250							\$133,250
Totals:	\$1,825,210	\$4,883,345	\$10,027,005	\$741,868	\$15,900,577	\$21,108,472	\$5,240,842	\$58,825,470	\$85,747,570	\$13,883,745	\$2,842,100	\$47,254,388	\$31,579,477	\$308,438,958

	Common to All Customers						Distribution System Customers Only(*)			
	Total	Base	Extra Capacity		Metering	Billing	Base	Extra Capacity		Fire Protection
			Max Day	Max Hour				Max Day	Max Hour	
SCHEDULE 10R										
ALLOCATION OF DEPRECIATION EXPENSE										
11/12 Filing	100%	41.1%	23.6%	1.3%	14.2%	0.0%	7.4%	4.2%	5.8%	2.4%
12/01 Filing - Transmission Greater than 10 Inches	100%	41.4%	23.8%	1.3%	14.2%	0.0%	7.1%	4.1%	5.6%	2.4%
SCHEDULE 11R										
ALLOCATION OF PLANT INVESTMENT, DEBT SERVICE, AND DEBT SERVICE COVERAGE										
11/12 Filing	100%	46.00%	26.34%	1.22%	11.10%	0.03%	5.63%	3.23%	4.42%	2.03%
12/01 Filing - Transmission Greater than 10 Inches	100%	46.46%	27.76%	1.22%	11.10%	0.03%	3.98%	2.28%	3.13%	2.03%

NORTHERN KENTUCKY WATER DISTRICT

SCHEDULE 1, 2003  
 ALLOCATION OF PLANT INVESTMENT, DEBT SERVICE, AND DISTRIBUTION COVERAGE

Line No.	Description	Total	Base	Common to All Customers				Distribution System Customers Only				Fire Protection
				Extra Capacity				Extra Capacity				
				Net Day	Net Hour	Neting	Building	Base	Net Day	Net Hour		
1	Source of Supply & Pumping	29,280	29,280									
2	Land & Land Rights	14,001,290	9,272,123	5,330,446								
3	Structures & Improvements	1,005,517	338,265	365,132								
4	Water Mains & Other Facilities	1,591,211	1,264,702	724,009								
5	Pumping Station	5,072,250	3,489,775	2,005,511								
6	Total	21,129,458	14,697,139	8,438,296								
7	Water Treatment Plant											
8	Land & Land Rights	72,496	44,035	36,463								
9	Structures & Improvements	20,085,544	10,479,405	10,479,405								
10	Water Treatment Equipment	5,697,235	3,247,892									
11	Total	28,056,498	24,443,875	13,899,422								
12	Transmission & Distribution											
13	Land & Land Rights	205,403	205,403									
14	Structures & Improvements	5,704,894	1,561,718	891,344								
15	Distribution Structures & Equipment	5,001,823	3,135,699	1,222,736								
16	Transmission & Distribution Mains											
17	Large Mains	42,008,336	27,682,187	15,985,509								
18	Transmission & Distribution Services	44,207,242										
19	Meters & Meter Installation	11,194,491										
20	Hydrants	4,165,627										
21	Other Plant & Main Equipment	3,284,418										
22	Total	117,784,439	69,223	29,833	3,095	11,004,491		42,790	23,027	24,992		2,804,418
23	Land & Land Rights	117,784,439	31,572,821	14,019,333	1,786,007	16,104,003		15,889,451	11,251,545	15,589,448		2,912,233
24	Structures & Improvements	296,317	1,172,863	67,411	2,535	26,503		33,134	18,996	26,023		4,946
25	Office Equipment	3,131,235	1,323,593	786,338	20,021	20,450		346,679	89,696	272,274		51,252
26	Transportation Equipment	592,411	212,540	131,987	5,889	51,603		63,809	37,311	51,078		9,423
27	Tools, Shop & Change Equipment	358,662	141,637	81,121	3,453	32,453		39,837	22,833	31,287		5,947
28	Power Generation Equipment	14,513	5,711	3,282	144	1,313		1,612	704	1,264		241
29	Power Operation Equipment	151,594	59,297	34,383	1,363	12,246		16,876	9,672	12,254		2,319
30	Other Tangible Plant & Equipment	3,202,031	72,041	41,799	1,401	16,472		20,357	11,764	16,122		3,044
31	Total	4,997,316	1,984,545	1,067,261	46,778	47,252		59,445	30,578	411,904		78,302
32	Construction Work in Progress	681,324,492	72,295,471	41,466,733	1,315,665	15,364,305		41,294	20,334,416	11,693,923		3,093,325
33	Annual Depreciation & Amortization											
34	Plant Working Capital											
35	Plant Inventory											
36	Land Construction Capital											
37	Total Plant Investment	140,711,531	72,295,471	41,466,733	1,315,665	15,364,305		41,294	53,948,837	3,464,333		4,664,188
38	Debt Service	188,096	48,406	33,704	1,276	11,106		3,896	3,896	3,176		2,806
39	Total Debt Service	188,096	48,406	33,704	1,276	11,106		3,896	3,896	3,176		2,806
40	Land, Other Services	10,531,347	3,114,596	2,028,349	128,310	1,171,934		3,201	408,234	240,841		310,482
41	Interest Income	(1,065,425)	(316,132)	(266,729)	(12,940)	(118,319)		(329)	(42,440)	(24,319)		(31,483)
42	Revenue & Finance	(4,381,269)	(2,162,919)	(1,352,739)	(5,443)	(88,716)		(129)	(17,827)	(10,217)		(14,001)
43	Total Adjusted Debt Service	9,049,238	4,381,269	2,599,340	106,913	1,460,884		2,762	339,981	286,399		382,721
44	Debt Service Coverage	23,104,409	1,022,919	552,870	15,662	224,285		640	14,647	48,188		42,500

\*The allocation of assets investment costs is in accordance with the FPCY Order 2000-0101. Allocation based on actual usage as reported by Automatic Meter, can generated in the new schedule included in Public Works Exhibit 14, Appendix D.  
 (a) When known, CVPD costs associated with land or large mains are allocated directly to either Customers-by-All or Distribution System Customers Only.  
 (b) The District's selling System Replacement Project represents \$45,231 of this total. This has been directly allocated to selling.

NORTHERN KENTUCKY WATER DISTRICT

SCHEDULE 10B  
 ALLOCATION OF DEPRECIATION EXPENSE

Line No.	Description	Total	Common to All Customers				Distribution System Customers Only(*)				Fire Protection
			Base	Extra Capacity		Metering	Billing	Base	Extra Capacity		
				Max Day	Max Hour				Max Day	Max Hour	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Source of Supply & Pumping											
1	Land & Land Rights	0	0								
2	Structures & Improvements	269,050	170,847	98,203							
3	Lake River & Other Intakes	77,488	49,205	28,283							
4	Supply Mains	23,312	14,803	8,509							
5	Pumping Equipment	357,797	227,201	130,596							
6	Total	727,646	462,055	265,591	0	0	0	0	0	0	0
Water Treatment Plant											
7	Land & Land Rights	0	0	0							
8	Structures & Improvements	750,439	476,529	273,910							
9	Water Treatment Equipment	388,171	246,489	141,682							
10	Total	1,138,611	723,019	415,592	0	0	0	0	0	0	0
Transmission & Distribution											
11	Land & Land Rights	0	0								
12	Structures & Improvements	190,011	39,389	22,918	4,868	52,177	0	26,088	14,951	20,489	8,638
13	Distribution Reservoirs & Standpipes	132,754	56,288	32,239	44,207						
Transmission & Distribution Mains											
14	Large Mains	481,810	305,949	175,861							
15	Small Mains	558,739						236,905	135,774	186,060	
16	Transmission & Distribution Services	338,221				338,221					
17	Meters & Meter Installation	135,597				135,597					
18	Hydants	78,378									78,378
19	Other Plant & Misc. Equipment	96,457	20,250	11,634	2,471	26,487		13,243	7,590	10,404	4,381
20	Total	2,011,969	422,377	242,672	51,546	552,483	0	276,236	158,315	216,950	91,390
General Plant											
21	Land & Land Rights	0	0	0	0	0	0	0	0	0	0
22	Structures & Improvements	289,348	119,930	68,927	3,846	41,220	0	20,609	11,812	16,186	6,818
23	Office Equipment	191,856	79,522	45,703	2,550	27,331	0	13,665	7,832	10,732	4,521
24	Transportation Equipment	225,013	93,264	53,602	2,991	32,065	0	16,027	9,183	12,587	5,302
25	Tools, Shop & Garage Equipment	7,359	3,051	1,753	98	1,848	0	524	308	412	173
26	Power Operated Equipment	29,874	12,381	7,117	397	4,256	0	2,128	1,228	1,671	704
27	Other Tangible Plant & Routine Annual	30,854	12,788	7,350	410	4,395	0	2,198	1,260	1,726	727
28	Total	774,304	320,936	184,452	10,292	110,305	0	55,151	31,609	43,314	18,245
29	Total Depreciation Expense	4,652,529	1,928,386	1,108,307	61,838	662,788	0	331,387	189,924	260,264	109,635
30	Distribution	100.0%	41.4%	23.8%	1.3%	14.2%	0.0%	7.1%	4.1%	5.0%	2.4%

\*The allocation of main investment costs is in accordance with the PSC's Order 2002-0105. Allocations based on actual usage, as supported by hydraulic data, are presented in the rate schedules included in Petitioner's Exhibit N, Appendix

## **SUPPLEMENTAL RESPONSE 38f**



	Sub District A	Sub District B	Sub District C	Sub District D	Sub District R	Sub District RL
Surcharge amount						
2002	14.07	21.38	30.00	30.00	19.39	37.50
2003	13.34	20.78	30.00	30.00	19.13	37.50
Number of Bills June 1, 2002 to May 31, 2003	4,901	3,095	9,367	706	2,778	1,032
Total revenue June 1 2002 to May 31, 2003	66,687.08	64,019.05	242,797.11	24,682.24	52,944.92	38,702.50

### Additional Information Required by Commission Orders

Provide any special information required by prior commission orders, as well as any narrative explanations necessary to fully explain the data. Examples of the types of Special information that may be required by commission orders include surcharge amounts collected, refunds issued, and unusual debt repayments.

Case No.	Date of Order	Item/Explanation	
92-482	3/14/1992	Subdistrict A	
		a. Number of Customers as of 12/31/2002	413
		b. Total surcharge billed during 2002	66,175
		c. Accumulated surcharge billed.	945,555
		d. Remaining Debt service on debt which NKWD issued to finance facilities.	937,461
94-409	1/26/1995	Subdistrict B	
		a. Number of Customers as of 12/31/2002	249
		b. Total surcharge billed during 2002	63,716
		c. Accumulated surcharge billed.	462,124
		d. Remaining Debt service on debt which NKWD issued to finance facilities.	3,382,751
95-582	2/8/1996	Subdistrict R	
		a. Number of Customers as of 12/31/2002	230
		b. Total surcharge billed during 2002	52,372
		c. Accumulated surcharge billed.	338,893
		d. Remaining Debt service on debt which NKWD issued to finance facilities.	1,149,169
95-582	2/8/1996	Subdistrict RL	
		a. Number of Customers as of 12/31/2002	86
		b. Total surcharge billed during 2002	38,704
		c. Accumulated surcharge billed.	275,274
		d. Remaining Debt service on debt which NKWD issued to finance facilities.	795,899
2000-329	7/21/2000	Subdistrict C	
		a. Number of Customers as of 12/31/2002	793
		b. Total surcharge billed during 2002	251,184
		c. Accumulated surcharge billed.	536,621
		d. Remaining Debt service on debt which NKWD issued to finance facilities.	6,997,139
2000-171	5/5/2000	Subdistrict D	
		a. Number of Customers as of 12/31/2002	58
		b. Total surcharge billed during 2002	23,925
		c. Accumulated surcharge billed.	47,910

## **SUPPLEMENTAL RESPONSE 41**

## NORTHERN KENTUCKY WATER DISTRICT

SCHEDULE 11R  
ALLOCATION OF PLANT INVESTMENT, DEBT SERVICE, AND DEBT SERVICE COVERAGE

Line No.	Description	Common to All Customers						Distribution System Customers Only(*)				
		Total	Base	Extra Capacity		Mixing	Bldg	Base	Extra Capacity		Fire Protection	
				Max Day	Max Hour				Max Day	Max Hour		
												\$
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1	Source of Supply & Pumping											
2	Land & Land Rights	29,200	29,200									
3	Structures & Improvements	14,601,769	9,772,123	5,329,646								
4	Lake River & Other Intakes	1,000,417	635,265	365,152								
5	Supply Mains	1,991,751	1,264,782	726,969								
6	Pumping Equipment	5,497,290	3,498,779	2,005,511								
7	Total	23,120,428	14,692,130	8,428,298	0	0	0	0	0	0	0	
8	Water Treatment Plant											
9	Land & Land Rights	72,496	46,395	26,461								
10	Structures & Improvements	29,086,764	18,470,095	10,616,669								
11	Water Treatment Equipment	8,697,238	5,649,746	3,247,492								
12	Total	38,656,498	24,165,876	13,890,622	0	0	0	0	0	0	0	
13	Transmission & Distribution											
14	Land & Land Rights	285,403	205,403									
15	Structures & Improvements	5,795,084	1,561,738	891,344	87,399	798,262	0	979,891	561,388	769,584	146,278	
16	Distribution Reservoirs & Standpipes	5,831,837	2,133,499	1,222,736	1,575,602							
17	Transmission & Distribution Mains											
18	Large Mains <sup>(a)</sup>	43,468,326	27,682,187	15,865,939								
19	Small Mains	44,307,262						18,786,270	10,766,660	14,734,312		
20	Transmission & Distribution Services	11,198,491				11,198,491						
21	Meters & Meter Installation	4,105,627				4,105,627						
22	Hydrants	2,804,418									2,804,418	
23	Other Plant & Mfr. Equipment	259,021	69,793	39,833	3,906	35,673		43,790	25,097	34,392	6,337	
24	Total	117,176,430	31,572,821	18,019,852	1,766,907	16,138,053	0	19,809,951	11,353,545	15,538,288	2,997,233	
25	General Plant											
26	Land & Land Rights	298,317	117,885	67,471	2,915	26,993	0	33,134	18,990	26,023	4,946	
27	Structures & Improvements	3,123,225	1,212,395	705,998	30,921	282,430	0	346,679	198,686	272,214	51,732	
28	Office Equipment	592,411	233,940	133,987	5,669	53,403	0	65,800	37,711	51,678	9,823	
29	Transportation Equipment	398,666	141,637	81,121	3,333	32,453	0	39,837	22,831	31,287	5,947	
30	Tools, Shop & Garage Equipment	14,513	5,731	3,282	144	1,313	0	1,612	924	1,266	241	
31	Power Operated Equipment	151,904	59,997	34,169	1,505	13,748	0	16,876	9,872	13,254	2,519	
32	Other Tangible Plant & Routine Asset <sup>(b)</sup>	230,851	72,981	41,799	1,831	16,723	45,241	20,427	11,764	16,122	3,064	
33	Total	4,767,116	1,864,645	1,067,961	46,778	427,232	45,241	524,465	308,578	411,904	78,292	
34	Net Plant Investment	183,128,492	72,295,471	41,406,733	1,813,685	16,565,285	45,241	20,336,416	11,663,923	15,970,192	3,035,525	
35	Construction Work in Progress	0	0	0	0	0	0	0	0	0	0	
36	Annual Repairs & Replacements	0	0	0	0	0	0	0	0	0	0	
37	Plant Working Capital	0	0	0	0	0	0	0	0	0	0	
38	Plant Inventory	0	0	0	0	0	0	0	0	0	0	
39	Less: Distributed Capital	(23,948,961)	0	0	0	0	0	(14,394,359)	(8,249,598)	(11,305,684)	0	
40	Total Plant Investment	149,179,531	72,295,471	41,406,733	1,813,685	16,565,285	45,241	5,940,857	3,404,325	4,664,508	3,035,525	
41	Distribution	100.00%	48.44%	27.76%	1.22%	11.10%	0.00%	3.98%	2.89%	3.13%	2.09%	
42	Total Debt Service	18,553,247	5,114,596	2,929,340	128,319	1,171,924	3,201	430,234	240,841	330,043	214,750	
43	Less: Other Revenues											
44	Interest Income	(1,065,425)	(316,356)	(295,739)	(12,554)	(118,314)	(323)	(42,426)	(24,315)	(33,310)	(21,681)	
45	Income & Reserve Reserve and Early Termination	(438,885)	(216,974)	(124,780)	(5,402)	(49,716)	(136)	(17,827)	(10,217)	(14,407)	0	
46	Total Adjusted Debt Service	9,049,239	4,581,265	2,539,340	109,913	1,003,894	2,742	359,381	206,309	282,721	193,069	
47	Debt Service Coverage	2,110,640	1,822,919	585,870	23,682	224,385	640	84,047	48,168	66,008	42,936	

\*The allocation of main investment costs is in accordance with the PSC's Order 2003-0105. Allocations based on actual usage, as supported by hydraulic data, are presented in the rate schedules included in Petitioner's Exhibit N, Appendix D.

(A) Where known, C/WIP costs associated with Small or Large Mains are allocated directly to either Common-to-All or Distribution System Customers Only.

(B) The District's Billing System Replacement Project represents \$45,241 of this total. This has been directly allocated to Billing.

## NORTHERN KENTUCKY WATER DISTRICT

SCHEDULE NR  
ALLOCATION OF DEPRECIATION EXPENSE

Line No.	Description	Total	Common to All Customers				Distribution System Customers Only(*)				Fire Protection
			Base	Extra Capacity		Metering	Billing	Base	Extra Capacity		
				Max Day	Max Hour				Max Day	Max Hour	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Source of Supply & Pumping											
1	Land & Land Rights	0	0								
2	Structures & Improvements	269,050	170,847	98,203							
3	Lake River & Other Intakes	77,488	49,285	28,283							
4	Supply Mains	23,312	14,803	8,509							
5	Pumping Equipment	357,797	227,201	130,596							
6	Total	727,646	462,035	265,591	0	0	0	0	0	0	0
Water Treatment Plant											
7	Land & Land Rights	0	0	0							
8	Structures & Improvements	750,439	476,529	273,910							
9	Water Treatment Equipment	388,171	246,489	141,682							
10	Total	1,138,611	723,019	415,592	0	0	0	0	0	0	0
Transmission & Distribution											
11	Land & Land Rights	0	0								
12	Structures & Improvements	190,011	39,889	22,918	4,868	52,177	0	26,088	14,951	20,489	8,652
13	Distribution Reservoirs & Standpipes	132,754	56,288	32,259	44,207						
Transmission & Distribution Mains											
14	Large Mains	481,810	305,949	175,861							
15	Small Mains	558,739						236,905	135,774	186,060	
16	Transmission & Distribution Services	338,221				338,221					
17	Meters & Meter Installation	135,597				135,597					
18	Hydrants	78,378									78,378
19	Other Plant & Misc. Equipment	96,457	20,250	11,634	2,471	26,487		13,243	7,590	10,401	4,381
20	Total	2,011,969	422,377	242,672	51,546	552,483	0	276,236	158,315	216,950	91,390
General Plant											
21	Land & Land Rights	0	0	0	0	0	0	0	0	0	0
22	Structures & Improvements	289,348	119,930	68,927	3,846	41,220	0	20,609	11,812	16,186	6,818
23	Office Equipment	191,856	79,522	45,703	2,550	27,331	0	13,665	7,832	10,732	4,521
24	Transportation Equipment	225,013	93,264	53,602	2,991	32,045	0	16,027	9,185	12,587	5,302
25	Tools, Shop & Garage Equipment	7,359	3,051	1,753	98	1,048	0	524	300	412	173
26	Power Operated Equipment	29,874	12,381	7,117	397	4,256	0	2,128	1,220	1,671	704
27	Other Tangible Plant & Routine Annual	30,854	12,788	7,350	410	4,395	0	2,198	1,260	1,726	727
28	Total	774,304	328,936	184,452	10,292	110,305	0	55,151	31,609	43,314	18,245
29	Total Depreciation Expense	4,652,529	1,928,386	1,108,307	61,838	662,788	0	331,387	189,924	260,264	109,635
30	Distribution	100.0%	41.4%	23.8%	1.3%	14.2%	0.0%	7.1%	4.1%	5.6%	2.4%

\*The allocation of main investment costs is in accordance with the PSC's Order 2002-0105. Allocations based on actual usage, as supported by hydrologic data, are presented in the rate schedules included in Petitioner's Exhibit N, Appendix

Common to All Customers	Distribution System Customers Only(*)								
	Total	Base	Extra Capacity		Billing	Base	Extra Capacity		Fire Protection
			Max Day	Max Hour			Max Day	Max Hour	

# **SCHEDULE 10R** **ALLOCATION OF DEPRECIATION EXPENSE**

11/12 Filing	100%	41.1%	23.6%	1.3%	14.2%	0.0%	7.4%	4.2%	5.8%	2.4%
12/01 Filing - Transmission Greater than 10 inches	100%	41.4%	23.8%	1.3%	14.2%	0.0%	7.1%	4.1%	5.6%	2.4%

## **SCHEDULE 11R** **ALLOCATION OF PLANT INVESTMENT, DEBT SERVICE, AND DEBT SERVICE COVERAGE**

11/12 Filing	100%	46.00%	26.34%	1.22%	11.10%	0.03%	5.63%	3.23%	4.42%	2.03%
12/01 Filing - Transmission Greater than 10 inches	100%	48.46%	27.76%	1.22%	11.10%	0.03%	3.98%	2.28%	3.13%	2.03%